

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

**Re: ECF Nos. 17134, 17146, 17138,
17793, 17797, 18011, 18019, 18071,
18090, 18183, 18186, 18282, 18316**

(Jointly Administered)

URGENT CONSENTED MOTION FOR EXTENSION OF DEADLINES

To the Honorable United States District Judge Laura Taylor Swain:

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), on behalf of the Commonwealth of Puerto Rico (the “Commonwealth”), pursuant to the authority granted to it under the *Enabling Act of the Fiscal Agency and Financial Advisory Authority*, Act 2-2017, respectfully submits this urgent consented motion for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), extending the deadlines set forth in the *Order Granting Fifth Urgent Consented Motion for Extension of Deadlines* [ECF No. 18186] (the “Scheduling Order”) and in the *Order Scheduling Briefing Concerning Urgent Supplemental Motion Requesting Order for Allowance of Administrative Expense Priority Claim And Request*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17- BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

for Immediate Payment Filed by Correction Officers of the Department of Corrections and Rehabilitation of the Commonwealth of Puerto Rico [ECF No. 18316] (the “Supplement Scheduling Order” and together with the Scheduling Order, the “Scheduling Orders”).²

Request for Relief

1. On June 22, 2021, forty-four (44) correction officers (the “Movants”) of the Department of Corrections and Rehabilitation of the Commonwealth of Puerto Rico (“DCR”), an entity of the Commonwealth, filed a *Motion Requesting Order for Allowance of Administrative Expense Priority Claim and Request for Immediate Payment Filed by Forty-Four Correction Officers of the Department of Correction and Rehabilitation of the Commonwealth of Puerto Rico* [ECF No. 17134] (the “Motion”), requesting that the Court enter an order (i) for “the allowance of the amounts claimed by the Movants as an administrative expense priority from the date of the filing of the Title III Commonwealth case and from then on”, (i) directing the Commonwealth to pay such amounts in “full, and final satisfaction” within sixty (60) days of entry of such order, (iii) directing the Debtor to continue issuing payments on a monthly basis and (iv) ordering the Trial Court of Aguadilla, in connection with certain state court litigations related to Movants’ request in their Motion, to “make the necessary adjustment to the ‘KRONOS’ time register system to register as overtime the 30 minute hour work during mealtime periods”. See, *Motion* at p. 17-18.

2. On September 21, 2021, the Court entered the Scheduling Order which provides that oppositions to the Motion must be filed by October 6, 2021 and Movants’ reply by October 13, 2021.

² The Financial Oversight and Management Board for Puerto Rico, as the Commonwealth’s representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”), has authorized AAFAF to file this Urgent Motion on behalf of the Commonwealth.

3. After several procedural events, on September 28, 2021, Movants filed a supplement [ECF No. 18282] (the “Supplement”) to the Motion, requesting the allowance of the total amount of \$5,832,721.95 relating to prepetition amounts allegedly owed “until the date of the filing of the Title petition,” and requesting that the Supplement and the Motion be entertained on a consolidated basis. *See, Supplement* at pp. 16-17.

4. On September 30, 2021, the Court entered the Supplement Scheduling Order, which provides that oppositions to the Supplement must be filed by October 14, 2021 at 5:00pm (Atlantic Standard Time) and Movants’ reply by October 21, 2021 at 5:00pm (Atlantic Standard Time).

5. Since the entry of the Scheduling Order, the Commonwealth has continued working diligently to gather the necessary information in order to properly assess the Motion and evaluate a possible consensual resolution of the same. Nevertheless—and particularly in light of the filing of the Supplement to include additional matters in connection with the Motion—the Commonwealth needs additional time to gather information and finalize its analysis. The Commonwealth reached out to Movants’ counsel who has consented to the requested extension.

6. Accordingly, and in order to address the Motion and Supplement in a coordinated fashion, the Commonwealth, with Movants’ consent, proposes the following extensions of the deadlines set forth in the Scheduling Orders:

- The deadline to respond to the Motion and the Supplement shall be extended to **November 5, 2021.**
- The deadline for Movants to file a reply to an opposition, if any, shall be extended to **November 20, 2021.**

- The Court will thereafter take the Motion and the Supplement on submission, unless the Court determines that a hearing is necessary.

7. Pursuant to Paragraph I.H of the *Fifteenth Amended Notice, Case Management and Administrative Procedures* [ECF No. 17127-1] (the “Case Management Procedures”), the Commonwealth hereby certifies that it has carefully examined the matter and concluded that there is a true need for an urgent motion; it has not created the urgency through any lack of due diligence; has made a bona fide effort to resolve the matter without a hearing; has made reasonable, good-faith communications in an effort to resolve or narrow the issues that are being brought to the Court, and no party opposes the relief requested herein.

Notice

8. The Commonwealth has provided notice of this motion in accordance with the Case Management Procedures to the following parties: (a) the Office of the United States Trustee for the District of Puerto Rico; (b) the indenture trustees and/or agents, as applicable, for the Debtors’ bonds; (c) the entities on the list of creditors holding the 20 largest unsecured claims against COFINA; (d) counsel to the statutory committees appointed in these Title III cases; (e) the Office of the United States Attorney for the District of Puerto Rico; (f) counsel to the Oversight Board; (g) the Puerto Rico Department of Justice; (h) the Other Interested Parties;³ (i) all parties filing a notice of appearance in these Title III cases; and (j) Movants. A copy of the motion is also available on the Commonwealth’s case website at <https://cases.primeclerk.com/puertorico/>.

9. The Commonwealth submits that, in light of the nature of the relief requested, no other or further notice need be given.

³ The “Other Interested Parties” include the following: (i) counsel to certain of the insurers and trustees of the bonds issued or guaranteed by the Debtors; and (ii) counsel to certain ad hoc groups of holders of bonds issued or guaranteed by the Debtors.

WHEREFORE, the Commonwealth requests the Court enter the Proposed Order and grant such other relief as is just and proper.

Dated: October 6, 2021
San Juan, Puerto Rico

Respectfully submitted,

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Exhibit A

Proposed Order